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USDOC FOR 532/OEE/MO'BRIEN
USDOC FOR 532/BIS/OEA/TWILLIS/EHOLLAND/ANALYST

E.O. 12958: N/A

TAGS: [BEXP](#) [ETRD](#) [ETTC](#) [RS](#)

SUBJECT: EXTRANCHECK: PRE-LICENSE CHECK: MASHCOMPLECS FAKEL LTD.,
MOSCOW, RUSSIA, LICENSE NO.D427375

REFTEL: REQUEST #6110082; DATED 11/24/2009

11. Unauthorized disclosure of the information provided below is prohibited by Section 12C of the Export Administration Act.

12. Reftel requested a pre-license check to determine the legitimacy and reliability of the end-user, Mashcomplecs Fakel Ltd., Moscow, Russia. The organization is listed on BIS license application D427375 as the ultimate consignee of one explorer 600KHZ Doppler velocity log. This item is controlled for national security reasons under ECCN 6A001. The licensee is Teledyne RD Instruments, 14020 Stowe Dr., Poway, CA 92064.

13. On December 22, 2009, Commercial Attach Nancy Luther and LES Natalya Shipitsina conducted the requested pre-license check at the offices of Mashcomplecs Fakel Ltd., 37/2, Prospect Vernadskogo, Moscow, Russia. The export control team met with Vyacheslav Shutko, Director of Purchasing. The small company was founded in March 2009 (Registration Certificate verified). The company has 12 permanent employees, including two engineers, and hires other specialists as needed on a project basis. The Owner and General Manager is Galina Schukina. The company sources and services machines and equipment for government organizations and private companies. According to Shutko, who was very forthcoming with information, since the company's start up in March, they have had 20 contracts involving 45 transactions of machinery and parts.

14. Mashcomplecs Fakel has assurances (via the Moscow City Government) that upon purchase of this equipment, it will be selected to take part in a tender, a construction project in preparation for the upcoming 2014 Olympic Games in Sochi. The Teledyne RD Instruments Explorer 600KHZ Doppler velocity log will be used for measuring the direction and speed of water currents. The purpose of collecting the data is to assure that the Black Sea waters are not damaged by the waste water from the construction project, which will be, after filtration, dumped into the sea. The equipment, which will be housed in Moscow at a dedicated secure warehouse with 24 hour guard (Luther and Shipitsina visited), will be taken to Sochi by a team of engineers and security specialists. When not in use in Sochi, the device will be stored at a secure warehouse which is to be determined. The Purchasing Manager explained that the company does not yet have a contract to provide the proposed services, since the tender has not yet been announced.

15. Recommendations: Post recommends Mashcomplecs Fakel Ltd., Moscow, Russia, as a reliable recipient of sensitive U.S. origin commodities. However, given that the company was not yet able to provide a contract, it is recommended that a requirement for post-shipment verification be added to the conditions of the license.

(FCS MOSCOW/ KKRAVETSKY/NLUTHER)
RUBIN